

4. On October 19, 2010, the Commission conducted the duly-noticed public evidentiary hearing. At the evidentiary hearing, Delmarva, the Commission Staff and the Public Advocate presented the Commission with a proposed Settlement Agreement in which the parties agreed that Delmarva's Application should be approved. Representatives of Staff and the Public Advocate testified that they had reviewed the Application and conducted an audit of the claimed expenses. They concluded that the proposed ESR rate complied with the Company's tariff and would result in just and reasonable rates, and that the settlement was in the public interest because it would eliminate the legal costs and expenditure of time associated with conducting discovery and filing additional testimony. Delmarva also presented a witness to testify that the settlement was in the public interest and would result in just and reasonable rates.

5. We admitted four exhibits into evidence: Ex. 1 - Affidavit of Publication of Public Notice; Ex. 2 - the Application; Ex. 3 - the direct testimony of Leonard J. Beck, Regulatory Affairs Lead for Delmarva Power & Light Company; and Ex. 4 - the proposed Settlement Agreement.

**NOW, THEREFORE, BY THE AFFIRMATIVE VOTE OF
NO FEWER THAN THREE COMMISSIONERS, IT IS HEREBY ORDERED:**

1. That the proposed Settlement Agreement admitted as Ex. 4 (and attached hereto) will result in just and reasonable rates, is in the public interest and is APPROVED.

2. That Delmarva shall be permitted to charge the proposed ESR rate, effective with service on and after November 1, 2010.

3. That the Commission reserves the jurisdiction and authority to enter such further orders in this docket as may be necessary or proper.

BY ORDER OF THE COMMISSION:

/s/ Arnetta McRae
Chair

/s/ Joann T. Conaway
Commissioner

/s/ Jaymes B. Lester
Commissioner

/s/ Jeffrey J. Clark
Commissioner

Commissioner

ATTEST:

/s/ Alisa Carrow Bentley
Secretary